Price Dynamics in the Belarusian Black Market for Foreign Exchange

Hannes Huett, Matthias Krapf, S. Derya Uysal

PII: S0022-1996(14)00085-3
DOI: doi: 10.1016/j.jinteco.2014.06.002
Reference: INEC 2776

To appear in: Journal of International Economics

Received date: 22 May 2013
Revised date: 1 June 2014
Accepted date: 3 June 2014


This is a PDF file of an unedited manuscript that has been accepted for publication. As a service to our customers we are providing this early version of the manuscript. The manuscript will undergo copyediting, typesetting, and review of the resulting proof before it is published in its final form. Please note that during the production process errors may be discovered which could affect the content, and all legal disclaimers that apply to the journal pertain.
Price Dynamics in the Belarusian Black Market for Foreign Exchange

Hannes Huett  Matthias Krapf*
University of Konstanz  University of Zurich

S. Derya Uysal
IHS Vienna

June 1, 2014

Summary

Using unique data from an internet-based foreign-exchange trading platform, we show that the black market efficiently incorporated public information on the state of the Belarusian economy during the Balance of Payments crisis of 2011. Between May and October 2011, the government repeatedly devalued the Belarusian ruble and eventually abandoned its fixed exchange rate regime. Measures derived from black market transaction data have significant predictive power for these devaluations. The significance of these black market measures survives even when we include standard macroeconomic indicators in our forecasting model. In line with standard economic theory, activity in the black market has dried up subsequently.

Keywords: black market, FX market, technological progress, price setting.

JEL classification numbers: O17, O33, P22, F31.

*Corresponding author. Email: matthias.krapf@business.uzh.ch. This paper was written in close collaboration with the site administrators of prokopovi.ch. We are grateful to Daniel Hamermesh, Junsoo Lee, Oliver Fabel, Jan-Egbert Sturm, Heinrich Ursprung, editor Charles Engel and two anonymous referees, as well as to participants of the Silvaplana Workshop 2012, the AEA Meeting 2013 in San Diego and ESEM 2013 in Gothenburg for helpful comments and suggestions.
دریافت فوری
متن کامل مقاله

امکان دانلود نسخه تمام متن مقالات انگلیسی
امکان دانلود نسخه ترجمه شده مقالات
پذیرش سفارش ترجمه تخصصی
امکان جستجو در آرشیو جامعی از صدها موضوع و هزاران مقاله
امکان دانلود رایگان ۲ صفحه اول هر مقاله
امکان پرداخت اینترنتی با کلیه کارت های عضو شتاب
دانلود فوری مقاله پس از پرداخت آنلاین
پشتیبانی کامل خرید با بهره مندی از سیستم هوشمند رهگیری سفارشات